

The institutions of the European Community

European File

In June 1979, for the first time in their history, citizens of the European Community - British, Belgians, Danish, Dutch, French, Germans, Irish, Italians and Luxembourgers - will directly choose their representatives in the European Parliament. An explanation about the European institutions and how they operate will help the new European voter understand what it's all about.

The European Community was created by three Treaties :

- the Treaty of Paris, signed on 18 April 1951, which created the European Coal and Steel Community (ECSC);
- the two Rome Treaties signed on 25 March 1957, which set up the European Economic Community (EEC) and the European Atomic Energy Community (EAEC or Euratom).

Within the framework of these three Treaties the European Community is managed by six institutions.

The European Commission - initiator and executive

The Commission of the European Communities is composed of 13 Members - two British, two French, two German, two Italian and one from each of the other countries - appointed for a four-year period by mutual agreement of the governments of the nine countries. The Members of the European Commission act only in the interests of the

Community; they may not receive instructions from any national government and are subject only to the supervision of the European Parliament which alone can force them collectively to resign their responsibilities. Commission decisions are taken collegiately, even though each Commissioner is directly responsible for one or more portfolios.

The Commission's tasks are :

- to ensure that Community rules and the principles of the Common Market are respected. As guardian of the Treaties the Commission is responsible for seeing that they are observed and that decisions of the Community institutions deriving from the Treaties are correctly applied. The Commission decides on requests from Member States to apply safeguard clauses and can, in exceptional cases, authorize temporary waivers (derogations) from the rules of the Treaties. It has investigative powers and can impose fines on individuals, particularly regarding violations of Community competition rules. States which do not respect their obligations can also be taken to the European Court of Justice by the Commission;
- to propose to the Community's Council of Ministers all measures likely to advance Community policies (in the fields of agriculture, energy, industry, research, environment, social and regional problems, external trade, economic and monetary union, etc.). In 1977 the Commission transmitted 609 proposals to the Council of Ministers;
- to implement Community policies on the basis of Council decisions or derived directly from the provisions of the Treaties;
 - The Commission thereby has particularly extensive powers in the fields of coal and steel (investment coordination, price control, etc.), competition (control of monopolies and public aid), nuclear energy (supply of fissile materials, control of nuclear installations, etc.);
 - In other cases the Commission operates upon a mandate from the Council, e.g. to negotiate trade agreements with third countries or to manage the agricultural markets;
 - The Commission also administers the funds of the common programmes which account for most of the Community budget and which aim to :
 - support and modernize agriculture (European Agricultural Guidance and Guarantee Fund);
 - to encourage industrial, vocational and regional change (ECSC appropriations, Social Fund, European Regional Development Fund);
 - to promote scientific research (the Joint Research Centres employ some 2 500 persons);
 - to channel European aid towards the Third World (European Development Fund, food-aid programmes, etc.).

The Commission has an administrative staff - concentrated mostly in Brussels and, to a lesser extent, in Luxembourg - of about 8 000 officials working in some 20 directorates-general (this is less than the staff of a good number of national ministries). One-third of the personnel is employed on linguistic work to ensure the equal recognition of the six Community languages.

Council of Ministers - decision maker

The Community's Council of Ministers, which meets in Brussels and, less often, in Luxembourg, is composed of ministers from each Member State and decides on the principal Community policies. Each country acts as president of the Council for a six-month period on a rotation basis. Attendance at meetings is determined by the agenda ; national agriculture ministers, for example, deal with agricultural prices, economics and employment ministers deal with unemployment problems. The Nine's ministers for foreign affairs are responsible for coordinating the specialized work of their colleagues. The Council is assisted by :

- a Committee of Permanent Representatives, COREPER, which coordinates the preparatory work of Community decisions and is assisted by numerous working groups of senior officials from Member States;
- a general secretariat with a staff of some 1 500 people.

The European Councils which have met three times a year since 1975 (before this they were only occasional) bring together the Nine's Heads of State or Government and provide political guidance and impetus - a role which should not be underestimated even if the meetings do not directly produce legislative measures.

The Council of Ministers held 61 sessions in 1977. All the proposals it deals with come without exception from the Commission, and the Council can only reject them by a unanimous vote.

Unanimity in the Council is also required for certain important decisions. In practice it is frequently demanded by ministers even when not strictly necessary, which tends to slow down the Community's decision-making process. In recent times, there has been more frequent recourse to the use of the qualified majority vote - 41 out of 58 votes - as instituted by the Treaties. France, Germany, Italy and the United Kingdom each have ten votes under this procedure. Belgium and the Netherlands have five, Denmark and Ireland three and Luxembourg two.

In the agriculture sector, procedures have been accelerated by the creation of 'Management Committees' composed of representatives from the Commission and national governments : Commission decisions have to be submitted for Council approval only if a qualified majority within the Committee disagree with them.

Court of Justice and Community law

The Community's Luxembourg based Court of Justice is composed of nine judges assisted by four advocates-general who are appointed for a six-year period by mutual agreement of Member States and who work independently of them. The Court's function is :

- to annul any measures taken by the Commission, the Council of Ministers, or national governments which are incompatible with the Treaties. This can be done at the request either of a Community institution, a Member State, or an individual directly concerned;
- to pass judgment at the request of national courts on the interpretation or the validity of the provisions of Community law. Whenever a case cannot be resolved by national courts they can request an interlocutory decision from the Court. Where a national court is the highest court of appeal it must submit an issue involving Community law to the Court of Justice for a ruling.

The Court can also be invited to give its opinion - which is then binding - on agreements which the Community envisages concluding with third countries.

Through its judgments and interpretations, the Court of Justice is contributing to the emergence of a veritable European law applicable to all : Community institutions, Member States, national courts and individuals.

The authority of the Court's judgments in the field of Community law surpasses that of national courts. In cases of non-application of Community law by the Council, or Member States, the Court has been approached by individuals and upheld the direct applicability of principles contained in the Treaties relating to equal pay for men and women and the free exercise of the liberal professions throughout the Community.

In 1977 the Court dealt with 162 cases (of which 80 were interlocutory) and passed 118 judgments.

European Parliament and participation

The European Parliament is composed of :

- 198 representatives of national parliaments up until June 1979, the date of the first European elections : 36 for France, Germany, Italy and the United Kingdom; 14 for Belgium and the Netherlands; 10 for Denmark and Ireland; and 6 for Luxembourg;
- 410 members after direct elections : 81 from each of the four larger countries, 25 from the Netherlands, 24 from Belgium, 16 from Denmark, 15 from Ireland and 6 from Luxembourg.

There are no national groups in the European Parliament, only political groups which link the parliamentarians from different countries with the same political leanings. The six political groups are : the Socialists, Christian Democrats, Liberals and Democrats, Conservatives, European Democrats (Gaullists in particular), Communists and Allies.

The Parliament's secretariat is located in Luxembourg and numbers some 1 400 officials.

The Parliament holds 12 plenary sessions per year in Luxembourg or Strasbourg. These are open to the public. Its 12 committees meet in camera and representatives of the European Commission and of the Council of Ministers may be asked to attend. These committee meetings enable the Parliament to make fully informed pronouncements on the problems of European construction.

The European Parliament does not have the same legislative power as national assemblies. In the Community system, it is the Commission which takes the initiatives and the Council which passes most Community legislation.

Nevertheless the Parliament :

- has the power to remove the Commission by a two-thirds majority;
- supervises the Commission and the Council, and often addresses incisive written and oral questions to them (there were 1 740 in 1977);
- is called upon to give its opinion on Commission proposals before the Council can make its decision;
- has budgetary powers which require all major decisions involving expenditure from the Community budget to be submitted for its approval. It is effectively the Parliament which accepts or rejects the budget proposed by the Commission following the consultation procedures with the Council :
 - for expenditures arising from the Treaties and decisions taken as a consequence of these (i.e. covering five-sixths of the budget and, in particular, the agricultural part) the Council can reject the modifications introduced by the Parliament if it increases the total size of the budget;
 - for non-obligatory expenditure, resulting in new developments in European construction, the Parliament has discretionary power over the limits of a margin of manoeuvre which is dependent on the economic situation in the Community and which can be modified by mutual agreement with the Council.

The budget and the Court of Auditors

The Community budget in 1978 was just over 12 000 million European units of account

(EUA)¹ which represents about 2.7% of governmental expenditure in Member States and 0.8% of the Community's gross domestic product (or about half of the Belgian budget or twice that of Ireland).

The Community budget is financed by :

- duties and taxes on imports from the rest of the world;
- a proportion of VAT not exceeding 1% of a uniform assessment basis. This levy is due to be introduced in 1979 to supersede national contributions.

As a percentage of the total, the principal expenditures met by the budget in 1978 were as follows :

- support for agricultural prices, including compensatory payments resulting from exchange-rate fluctuations, and modernization in agriculture : 73.9%;
- social measures, particularly for employment, and vocational training and retraining: 4.5%;
- aid for industrial and infrastructure investment in the poorest regions : 4.2%;
- aid to Third World countries : 3.1%;
- joint action in research, energy, industry and transport : 2.4%;
- operating expenses : 6.2% covering the salaries of the 15 000 officials and operatives in all the various Community institutions, and including buildings, administrative costs, information expenditure, etc.

The operation of the budget is supervised by a Court of Auditors which was set up in Luxembourg on 25 October 1977. The Court is composed of nine members appointed by the mutual agreement of the Council of Ministers for a six-year period. The Court of Auditors, which replaced the former Audit Board has extensive powers to verify the legality and the regularity of Community revenue and expenditures.

The Economic and Social Committee - consultation with social groups

Before a Commission proposal can be adopted by the Council it is sent for the opinion of not only the European Parliament but also, in most cases, of the Community's Economic and Social Committee - a consultative body composed of 144 representatives from employers, trade unions and other interested groups in the Nine such as farmers

¹ Or, at the prevailing rate on 5 December 1978, about £8.3 thousand million.

and consumers. For questions dealing with coal and steel there is an advisory committee composed of representatives of producers, traders, workers and consumers. The two committees adopted 107 opinions and resolutions in 1977, of which many were submitted on their own initiative.

Many specialized advisory bodies help associate professional and trade union interests in the development of the Community. The heads of their European federations set up in Brussels, and their experts, are frequently consulted by the Commission before it adopts proposals in their definitive form.

Conclusion

Throughout the world there are a large number of international organizations to bring together the States that wish to cooperate with each other. The European Community goes much further than this :

- in its aim : to build over a period of time a veritable European union;
- in its methods : the operation of the Community is not purely inter-governmental - Community institutions have their own powers and the organization of their relationships aims to promote the general interest of Europeans;
- in its results : the Council of Ministers and the Commission, wherever it has autonomous decision-making powers, takes action with the force of law and which in many cases is applied directly to European citizens.

Their actions are termed :

- regulations, which are applied directly as Community laws;
- decisions, which are binding only on the Member States, companies or individuals to whom they are addressed;
- directives, which set down compulsory objectives but leave it to the discretion of Member States to translate them into their national legislation;
- recommendations and opinions which are not binding (except for recommendations in the ECSC sector where they are equivalent to directives).

The application of European law is watched over by the Court of Justice which is open to complaints from citizens.

With the direct election by universal suffrage of the members of the European Parliament, the full democratic participation of citizens in the operation of Community institutions will be recognized and institutionalized.

In the continuous dialogue which takes place between Community institutions, an elected Parliament will have by that fact alone, prestige, authority and increased moral weight. For the rest, the extension of the European Parliament's powers presupposes a revision of the European Treaties and therefore the unanimous agreement of Member States in conformity with their own constitutional rules. This will imply other institutional reforms to improve the operation of the Community which will be particularly important with the impending entry of Greece, Portugal and Spain ■



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